

SUPPLEMENTAL LEASE AGREEMENT

SUPPLEMENTAL LEASE AGREEMENT NO. 3	TO LEASE NO. LNC61124	DATE 10/1/12	PAGE 1 of 3
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ADDRESS OF PREMISES
Wingate, 4900 Koger Blvd., Greensboro, NC 27407-2736

THIS AGREEMENT, made and entered into this date by and between **SEQUOIA INVESTMENTS XIV, LLC**

whose address is 323 Fifth Street
Eureka, CA 95501-0305

hereinafter called the Lessor, and the **UNITED STATES OF AMERICA**, hereinafter called the Government:

WHEREAS, the parties hereto desire to amend the above Lease contract as indicated below.

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended effective **July 11, 2012** as follows:

Paragraphs 1, 2, 3, 4, 9, 10, 12, 14 and 22 of the lease are hereby deleted in their entirety and replaced as follows:

1. The Lessor hereby leases to the Government the following described premises:
A total of 1,776 Rentable Square Feet (RSF) of contiguous office and related space, consisting of 1,586 ANSI/BOMA Office Area Square Feet (ABOASF) to be located on the 1st floor of the building known as Wingate, 4900 Koger Blvd., Greensboro, NC 27407-2736, in addition to four (4) surface parking spaces to be used for SUCH PURPOSES AS DETERMINED BY THE GENERAL SERVICES ADMINISTRATION.
2. TO HAVE AND TO HOLD the said premises with their appurtenances for the term of ten (10) years, five (5) year firm term years beginning on July 11, 2012 through July 10, 2022, subject to termination and renewal rights as may be hereafter set forth.

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[Redacted] s hereto have hereunto subscribed their names as of the date first above written.	
LESSOR	
[Redacted]	NAME OF SIGNER LIND CHRISTENSEN SVRRE
[Redacted] Eureka CA	
IN PRESENCE OF	
SIGN [Redacted]	NAME OF SIGNER Doris Mendez
ADDRESS [Redacted] 323 Fifth St. Eureka	
UNITED STATES OF AMERICA	
SIGN [Redacted]	NAME OF SIGNER Heather Driskell
	OFFICIAL TITLE OF SIGNER Contracting Officer

3. The Government shall pay the Lessor annual rent for the entire term, monthly, in arrears, as follows:

<u>TERM</u>	<u>ANNUAL RENT</u>	<u>SHELL RENT</u>	<u>OPERATING COSTS</u>	<u>AMORTIZED TI</u>	<u>RATE per RSF</u>	<u>RATE per ABOA</u>	<u>MONTHLY RENT</u>
07/11/2012-7/10/2017	\$42,570.72	\$21,317.96	\$8,709.62	\$12,543.14	\$23.97	\$26.84	\$3,547.56
07/11/2017-7/10/2022	\$30,027.58	\$21,317.96	\$8,709.62	\$0.00	\$16.91 (Rounded)	\$18.93	\$2,502.30 (Rounded)

4. The Government may terminate this lease, in whole or in part, at any time on or after July 10, 2017 the 5th year, by giving the Lessor at least one hundred and twenty (120) days notice in writing. No rent shall accrue after the effective date of termination. Said notice shall be computed commencing with the day after the date of mailing.
9. The premises described in Paragraph 1 of this Supplement Lease Agreement (SLA) No. 3 shall contain 1,586 ABOASF of office and related space, as identified in SFO 8NC2034.
10. The rental rate in Paragraph 3 for the period of Year 1 through Year 5 includes all Tenant Improvements. In accordance with Paragraph 3.2 of SFO 8NC2034, the Tenant Improvement allowance (T/I) provided in the lease is \$34.09 per ABOASF, or a total of \$54,066.74 amortized at an interest rate of 6% over five (5) years yielding an annual cost of \$12,543.14 at a rate of \$7.91 per ABOASF (\$7.06 per RSF). **Lessor agrees that should the Government vacate the premises after the fifth year, the Government is not responsible for any unamortized unpaid T/I.**

The total costs for construction of tenant improvements including Change Orders 1 – 3 totaling \$1,542.34 equates to **\$92,351.12**. The amount of **\$54,066.74** will be amortized over the firm term leaving a remaining balance of **\$38,284.38** to be reimbursed to the Lessor via SLA's 1 and 2. Payment is predicated on receipt of signed SLA's 1 and 2 and a certified invoice at the time of work completion.

The Lessor hereby waives of restoration for all areas affected by this alteration.

12. In accordance with Paragraph 4.2 (Tax Adjustment) of SFO No. 8NC2034, the percentage of Government occupancy is established as 2% (based on total building area of 89,478 RSF and the Government's occupancy of approximately 1,776 RSF). Percentage of occupancy is subject to revision based on actual measurement of Government occupied space at time of final inspection, not to exceed the maximum ABOASF stated in the SFO, and in accordance with GSA Form 3517B, GENERAL CLAUSES.
14. In accordance with Paragraph 4.1 (Measurement of Space) of SFO No. 8NC2034, the common area factor (CAF) is established as 12% or 1.12, based on 1,776 RSF and 1,586 ABOASF.

INITIALS:  LESSOR
 GOVT

22. In accordance with SFO 8NC2034 Paragraph 2.3 Broker Commission and Commission Credit, Jones Lang LaSalle ("Broker") is the authorized real estate broker representing GSA in connection with this lease transaction. The total amount of the Commission is [REDACTED] and is earned upon lease execution, payable according to the Commission Agreement signed between two parties. Due to the Commission Credit described in SFO 8NC2034 Paragraph 2.3, only [REDACTED] of the Commission will be payable to Jones Lang LaSalle with the remaining [REDACTED] which is the "Commission Credit" to be credited to the shell rental portion of the annual rental payments due and owing to fully recapture this Commission credit. The reduction in shell rent shall commence with the first month of the rental payments and continue until the credit has been fully recaptured in equal monthly installments over the shortest period practical.

Notwithstanding Paragraph 3 of this Standard Form 2 of this Lease, the shell rental payments due and owing under this lease shall be reduced to fully recapture this Commission Credit. The reduction in shell rent shall commence with the first month of the rental payments and continue as indicated in this schedule for adjusted Monthly Rent:

First Month's Rental Payment of \$3,547.56 minus the prorated Commission Credit of [REDACTED] equals the adjusted First Month's Rent of [REDACTED].

Second Month's Rental Payment of \$3,547.56 minus the prorated Commission Credit of [REDACTED] equals the adjusted Second Month's Rent of [REDACTED].

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